

## Message Text

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ORIGIN EB-11

INFO OCT-01 ARA-16 EUR-25 EA-11 ISO-00 AGR-20 COME-00

AID-20 CIAE-00 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00

XMB-07 OPIC-12 SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01

/149 R

DRAFTED BY EB/OT/STA:LICOHEN:CLJ

APPROVED BY EB/OT/STA:EWKEMPE

ARA/CEN:SLIPPE(DRAFT)

EA/J:RDANKERT(SUBS)

ARA/EP:KGUTHRIE(DRAFT)

EA/ROC:BLAIR(DRAFT)

ARA/MEX:RKING(DRAFT)

EA/K:HNEWSOM(DRAFT)

ARA/CAR:JSIMMS(DRAFT)

EA/PRCM:PLINCOLN(SUBS)

EB/OT/STA:LICOHEN

EUR/WE:EBEIGEL (SUBS)

EUR/CAN:WBROWN (SUBS)

EUR/CE:LHEILCHLER (SUB)

AGR/FAS:RMCCONNEL (DRAFT)

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R 171901Z OCT 73

FM SECSTATE WASHDC

TO AMEMBASSY SAN JOSE

AMEMBASSY QUITO

AMEMBASSY MEXICO

AMEMBASSY SANTO DOMINGO

INFO AMEMBASSY TOKYO

AMEMBASSY PARIS

AMEMBASSY BONN

AMEMBASSY OTTAWA

USLO PEKING

AMEMBASSY SEOUL

AMEMBASSY TAIPEI

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C O N F I D E N T I A L STATE 205779

E.O. 11652: GDS

TAGS: ETRD, CS, EC, MX, DR, JA, FR, GW, CA, KS, TS, CH

SUBJECT: MUSHROOMS

REFS: A. STATE 173821; B. SEOUL 6099; C. TAIPEI 5471

1. COSTA RICAN ECONOMIC MINISTER SOLARA MET WITH DEPARTMENT OFFICERS ON OCT. 12 TO DISCUSS RUMORED NEGOTIATIONS WITH MAJOR SUPPLIERS OF CANNED MUSHROOMS AIMED AT RESTRAINING EXPORTS TO THE U.S. HE SAID THAT THERE HAD BEEN SIZABLE RECENT INVESTMENT IN ENLARGED MUSHROOM GROWING AND CANNING FACILITIES IN COSTA RICA. THE MAIN MARKET FOR THE OUTPUT OF THESE FACILITIES IS THE U.S. ANY RESTRAINTS ON GOCR EXPORTS WOULD IMPINGE ON ECONOMIC DEVELOPMENT. HE WONDERED WHETHER THE GOCR WOULD IMPROVE ITS BARGAINING POSITION BY AN EARLY ENTRY INTO NEGOTIATIONS ON A RESTRAINT LEVEL WITH THE U.S.

2. ON OCT. 11, THE DEPARTMENT RECEIVED A NOTE FROM THE EMBASSY OF ECUADOR OUTLINING CONCERNS SIMILAR TO THOSE EXPRESSED BY THE GOCR. THE NOTE CONCLUDED THAT "THE GOE WOULD HAVE NO OBJECTIONS TO PARTICIPATE (SIC) IN AN ORDERLY MARKETING ARRANGEMENT FOR CANNED MUSHROOMS, IF AN ALLOCATION EQUAL TO THE FOREGOING EXPORT CAPACITY (4 MILLION POUNDS DRAINED WEIGHT BY THE END OF 1974) WOULD BE MADE TO ECUADOR."

3. WE WILL SHORTLY TELL THE APPROPRIATE GOE OFFICIAL, ORALLY, WHAT WE TOLD SOLARA; THAT DISCUSSIONS AIMED AT AN INFORMAL RESTRAINT ARRANGEMENT WERE UNDERWAY IN TAIPEI AND

SEOUL AND ARE LIMITED TO THOSE COUNTRIES. 90 PERCENT OF U.S. CANNED MUSHROOM IMPORTS ARE SUPPLIED BY THE ROC AND ROK. WE HOPE, THEREFORE, THAT IT WOULD NOT BE NECESSARY TO CONCLUDE RESTRAINT ARRANGEMENTS WITH OTHER SUPPLIERS AND THERE IS NO PRESENT INTENTION TO DO SO. HOWEVER, SHARP INCREASES IN EXPORTS TO THE U.S. FROM OTHER COUNTRIES OVER A BRIEF PERIOD COULD LEAD TO STRONG PRESURES FOR INCREASING THE GEOGRAPHIC COVERAGE OF THE RESTRAINT ARRANGEMENT.

4. IN VIEW OF THESE DEVELOPMENTS, DETAILS OF THE APPRO-  
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ACHES MADE IN SEOUL AND TAIPEI, AS WELL AS THE INITIAL RESPONSES, ARE BEING REPEATED(REFTELS)TO ADDRESSEES FOR BACKGROUND.

5. FOR SAN JOSE, MEXICO CITY AND SANTO DOMINGO: THE DEPARTMENT WOULD APPRECIATE AN EARLY REPORT ON PRESENT PLANS FOR EXPORTS OF CANNED MUSHROOMS. ANY INFORMATION ON THE LOCAL INDUSTRY'S ACTUAL AND PROJECTED PRODUCTION

CAPACITY, AREA PLANTED, YIELDS PER SQUARE FOOT, EMPLOYMENT LEVELS, TOTAL INVESTMENT INVOLVED AND IDENTITY OF INVESTORS WOULD BE WELCOME.

6. FOR QUITO: A COPY OF THE GOE NOTE IS BEING POUCHED. THIS NOTE CONTAINS MUCH OF THE INFORMATION REQUESTED IN PARA. 5; HOWEVER, ANY ADDITIONAL MATERIAL DEVELOPED BY THE EMBASSY WOULD BE WELCOME.

7. COPIES OF THE TARIFF COMMISSION REPORT CITED IN REFTEL A ARE BEING POUCHED TO ACTION POSTS. KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MUSHROOMS, EXPORT CONTROLS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 OCT 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** willialc  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973STATE205779  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** LICOHEN:CLJ  
**Enclosure:** n/a  
**Executive Order:** GS KEMPE  
**Errors:** N/A  
**Film Number:** n/a  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1973/newtext/t19731026/aaaaatba.tel  
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**Office:** ORIGIN EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** A. STATE 173821; B. SEOUL 6099; C. T, AIPEI 5471  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** willialc  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 NOV 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20-Nov-2001 by elyme>; APPROVED <26-Nov-2001 by willialc>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MUSHROOMS  
**TAGS:** ETRD, CS, EC, MX, DR, JA, FR, GE, CA, KS, TS, CH, US  
**To:** SAN JOSE MULTIPLE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005